

UTAH: EXPORTS, JOBS, AND FOREIGN INVESTMENT

Exports Mean Jobs for Utah's Workers

- Export-supported jobs account for an estimated 5.9 percent of Utah's total private-sector employment (2001 data latest available). This is slightly less than the national average of 6.5 percent.
- Nearly one-fifth (18.8 percent) of all manufacturing workers in Utah depend on exports for their jobs. This is slightly below the national-level share of manufacturing workers supported by exports (20.5 percent). (2001 data latest available)

Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports on the U.S. economy. Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.

Exports Help Sustain Thousands of Utah Firms—Small As Well As Large

- A total of 2,202 companies exported goods from Utah locations in 2001. Of those, 80 percent were small and medium-sized enterprises with fewer than 500 employees.
- Small and medium-sized firms generated 24 percent of Utah's total exports of merchandise in 2001.

Source: Exporter Data Base, International Trade Administration & Census Bureau

Economic Globalization: A Two-Way Street for Utah

- In 2002, majority-owned affiliates of foreign companies employed 31,100 workers in Utah.
- Almost one-third of these foreign-investment-supported jobs (32.5 percent, or 10,100 workers) were in the manufacturing sector in 2002.
- Majority-owned affiliates of foreign firms accounted for 7.5 percent—one in thirteen jobs—of total manufacturing employment in Utah in 2001.
- Foreign investment in Utah was responsible for 3.3 percent of the state's total private-industry employment in 2001.
- Major sources of Utah's foreign-investment-supported jobs in 2002 were the United Kingdom, France, Switzerland, Germany, Canada, and Japan.

Note: All figures exclude employment in banks affiliated with foreign companies.

Source: Bureau of Economic Analysis.

Utah Depends on World Markets

- Utah's export shipments of merchandise in 2003 totaled \$4.1 billion. That is a 31.3 percent increase over the 1999 level of \$3.1 billion, which was the seventh fastest growth rate among the 50 states over the 1999-2003 period. By comparison, the total U.S. increase in merchandise exports over this period was 4.5 percent.
- Utah exported globally to 174 foreign destinations in 2003. The state's largest market in 2003 was Switzerland, which received \$1.1 billion (27 percent) of Utah's merchandise export total. Switzerland was

followed by NAFTA member Canada (\$544 million) and the United Kingdom (\$487 million). Other top markets included Japan, the Netherlands, Germany, China, Mexico, the Philippines, and South Korea.

- Utah's biggest growth market, in dollar terms, is Switzerland. From 1999 to 2003, export shipments to Switzerland increased by \$706 million. Other countries where Utah recorded large gains in the value of exports over this period were Japan (exports up \$97 million), China (up \$97 million), and Germany (up \$43 million).
- Of Utah's 30 top markets, exports to Costa Rica grew the fastest over the 1999-2003 period, increasing from just \$2.7 million to \$32.2 million (over 1,100 percent). Over this time span, Utah also more than doubled its exports to China, Kuwait, India, Russia, Switzerland, and Israel.
- Manufactured goods make up 96 percent of Utah's exports. Among manufactured products, the state's leading export category is primary metal manufactures, which accounted for \$1.5 billion (36 percent) of Utah's total merchandise exports in 2003. Other top manufactured exports are computers and electronic products (\$624 million), transportation equipment (\$467 million) and chemical manufactures (\$340 million).
- In dollar terms, Utah's leading manufactured export growth category is primary metal manufactures. Export shipments of these products during the 1999-2003 period grew from \$975 million to \$1.5 billion. Other manufactured export categories that registered large dollar growth over this period were chemical manufactures (up \$187 million), processed foods (up \$148 million), miscellaneous manufactures (\$130 million), and computers and electronic products (up \$124 million).
- In percentage terms, Utah's fastest-growing manufactured export category is beverage and tobacco products, which grew 424 percent from \$5 million in 1999 to \$26 million in 2003. Other manufactured exports that more than doubled during the 1999-2003 period were plastic and rubber products, chemical manufactures, non-apparel textile products, processed foods, and furniture and related products.

Source: Origin of Movement State Export Series, Bureau of the Census.

Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point) of exit from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.

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